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ABSTRACT

Beginning with a conceptual introduction which covers the topics of work in the United States, why people work, the labor force, labor markets, unemployment, and work and the young, this document goes on to offer four instructional units for preschool through sixth grade students. The preschool and kindergarten unit called "Earning More than Money," offers young students an opportunity to inspect the work attitude of "The Little Red Hen," take a field trip to a bakery, and learn to take pride in their work at school. In the 1st and 2nd grade unit, students learn about the qualities most needed by good workers, create a classroom employment department, build their own classroom community, and engage in interviewing to learn about the work world. "Jobs Fill Society's Needs," the unit for 3rd and 4th grade, offers five different activities which help students learn how society and employment are interconnected. The last unit, called "Skills for the Marketplace," involves 5th and 6th grade students in writing their own resumes, shopping for jobs, and investigating the employment opportunities created by producing a television newscast. (JDH)

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EMPLOYMENT
THE ELEMENTARY ECONOMIST
VOLUME 7, NO. 2

BY

WILLIAM D. WITTER
CAROL BLOESSER
JONNIE NEWCOMER
JULIE AIELLO
MARY BOLENBAUGH

1986

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ENTREPRENEURSHIP

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The Joint Council on Economic Education (JCEE) and the National Center of Economic Education for Children (NCEEC) have officially merged their activities effective July 1, 1985. The merger adds additional elementary level economics education material and a COMMUNITY INVOLVEMENT MODEL to the JCEE's curriculum products including *The Elementary Economist* newsletter.

IMPORTANT ANNOUNCEMENT

Subscriptions to *The Elementary Economist* are now being offered to individuals and organizations who support the goals of the JCEE. To continue receiving *The Elementary Economist*, see Page 2 for further information.

Announcements

Subscription Offer from the Joint Council on Economic Education



IF you believe it's important

- to teach children economics at an early age, using a problem-solving, decision-making approach, and to
- teach children how and why people behave as they do within an economic system, because it develops more informed citizens, consumers and workers — and ultimately a more economically literate society.

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- to support economic education and
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Entrepreneurship

by Dr. Calvin A. Kent

Dr. Kent is the Herman W. Lay Professor of Private Enterprise at Baylor University, Waco, Texas, and Director of its Center for Private Enterprise and the National Center for Entrepreneurship in Economic Education. He has served as consultant to many major corporations and government entities and currently serves on the President's Advisory Committee of Entrepreneurship and Small Business Education.

NICHE FINDING

Although most kids can't spell the word "entrepreneur," some are already entrepreneurs and others demonstrate the same characteristics as entrepreneurs. Entrepreneurs are "niche finders" — people who find openings in the marketplace for new products or new technology and fill them.

Rawson Stovall of Abilene, Texas began his entrepreneurial career at the age of ten as a door-to-door pecan salesman in order to raise \$150 to buy the Atari video game system. In just three years he has become the writer of a weekly column on video games which appears in twenty newspapers. His *The Vid Kid's Book of Home Video Games* has netted him \$10,000 to date. All the major consumer electronic companies seek his advice, and hopefully, gain his approval of their products. How did this young person become a significant figure in a \$300 million industry? He saw a need in the marketplace and had the initiative and drive to fill it.

Two sixth-grade Texas entrepreneurs saw a smaller niche in the marketplace. They recognized that most mothers with young children have exhausted their supply of planned activities and often their patience, by the end of July. Kathryn Perry and Jenny Thomasson established "Camp Sunshine" which offers young children instruction in crafts, computers, games, music and other activities. Their first session was so successful that they added a second. In planning their second year, they considered creating new jobs and bringing in additional staff.

These three entrepreneurs do not need to be convinced about the benefits of the American economy, for they have experienced them. This article will focus on the importance of entrepreneurship in the American economy and how the elementary teacher can introduce it in the classroom.

THE ENTREPRENEUR'S ROLE IN THE ECONOMY

Job Generation. While most elementary students have not held part-time jobs in the economy, most are curious about where jobs come from and many dream of jobs they may have. Jobs are created by consumer demand for new, or scarce, goods and services in the marketplace. But job creation is not an automatic response to consumer demand. Someone must see and seize the opportunity others have overlooked. The person who sees the niche in the marketplace and fills it is the entrepreneur. Jobs are created when entrepreneurs open new businesses or expand existing ones to meet consumer demand. According to the Small Business Administration's report to the President in 1984,

two out of every three jobs in the economy come from a new or expanding small business.

It is important for students to understand that the types of jobs created are vital as well. Research in the same report indicates that entrepreneurs tend to generate entry level jobs, predominantly in the service industries. Most students will begin their working careers during high school in such jobs, and move into better paying and more complex jobs as they mature and receive additional education.

Innovation. Entrepreneurs are also the innovators who bring new products to the shelves of American business and generate new technologies that lower production costs. New and small growth-oriented companies generate a large percentage of the total new products and technologies which contribute to our rising standard of living.

Often big business remains entrepreneurial only by buying out smaller firms to gain access to their products and technologies. In recent years, a branch of entrepreneurial studies called "intrapreneurship" has developed to investigate how established firms can create or maintain the entrepreneurial attributes of their smaller competitors (such as the capacity to adapt to changing markets). Such studies support the importance of entrepreneurial behavior and reinforce the need to foster these attributes in young children.

CHARACTERISTICS OF ENTREPRENEURS

Entrepreneurs are a "breed apart." They possess two characteristics which distinguish them from those who are *not* entrepreneurs, or new product champions, within existing firms.

1. Entrepreneurs are risk-takers. This does not mean that they enjoy parachuting from airplanes or driving fast cars, but that the primary motivation in their lives is not security. When most entrepreneurs started their business, they invested their own money and whatever they could beg, borrow or steal from relatives, friends and neighbors.

2. Entrepreneurs differ from other people because of their need for achievement. While money is important to them, it is not the principal motivation. The need to be in control of their lives is more significant than the amount of money they can earn. When asked if they would work for someone else if they could earn twice the money, most entrepreneurs indicated they would not abandon their enterprise.

The entrepreneur's principal motives are the thrill of creation and the desire to be independent. An

(continued on back page)

Teaching Activities Pre-K



Early Entrepreneurs

by Sheri McNeil Andrews

Sheri McNeil Andrews has been a primary grades teacher for fourteen years. She presently teaches an all-day kindergarten program at St. Joseph School in Seattle, Washington. She was honored by the Washington Council for Economic Education for her economic unit called "The Pumpkin Project," and has co-authored a book, *Take Your Baby and Go!*, on traveling with infants.

Entrepreneurship

Entrepreneurs are often described as creative and energetic — two words which certainly describe young children. Children use their imaginations to design a variety of play settings and situations. Three to six year olds invent new uses for chairs and blankets, boxes and ropes, clothes and toys. Children are able to visualize a creative goal in play and to gather the material to make that image real. Armed with individual chairs, a child might build a train. Another child may add a second row of chairs to form an aisle, or build a dining car. Once designed the train can provide hours of rewarding play or function as a stepping stone to other variations.

Children are not aware that adults in the work place exercise similar steps in business. Business begins with an idea for a product or a service. An entrepreneur takes the idea and transforms it into a reality. Since educational curriculum for this age level usually includes a unit on community workers, why not go one step further and explore the creative process necessary to operate a business?

Student Goals

1. Observe the variety of businesses operating in the neighborhood.
2. Distinguish between businesses providing goods and businesses providing services in the neighborhood.
3. Realize that someone created, produced and marketed the playthings they enjoy.
4. Realize that the services in the neighborhood were created or improved upon by the business owners.
5. Understand that the variety of goods a neighborhood offers is due to the creativity, organization and hard work of business owners.

Teaching Activities

- I. **Walk Around the Neighborhood**
observation • language arts • discussion skills

Explain that you will be taking a neighborhood walk to see what kinds of businesses are available. Discuss each one that you encounter. Plan to stop at one which provides goods, to purchase a toy that can be used in Activity II. Also stop at a business which provides a

service; for example, drop off a pair of shoes at the shoe repair shop. Back at school ask the class to recall the businesses they observed.

Introduce the idea of goods and services by discussing the two particular shops they visited.

1. Goods are tangible items that are bought and paid for, e.g., the ball I bought at Dick's Variety Store.
2. Services are something you pay someone to do for you, e.g., I will pay Angelo to fix my shoes.

Make a chart for the neighborhood businesses and divide them into groups providing goods or services.

<u>Goods</u>	<u>Services</u>
Dick's Market 	George's Place 
Benson's Gifts 	Angelo's Shoe Repair 
Carolyn's Cakes 	Dance Studio 

Discussion Questions:

- Why do you think these businesses were opened in the neighborhood?
- Why do you think Angelo opened a shoe repair shop? What did he need to open his shop?
- Is there any other kind of business that the neighborhood needs?
- What kind of business would you open in the neighborhood? Why? What would you need?

II. Creating Toys

language arts • movement • fine motor skills

A. Review the class walk around the neighborhood. Recall the ball purchased at the variety store. Discuss the appearance of the ball. Show the class a variety of balls (small rubber ball, basketball, football, beachball, etc.). Compare their appearances and uses. Give several children a ball and ask them to show some ways that the balls can be used. Ask the children if

they've ever observed games in which the balls were used in play. Guide the children to realize why different games need different sized or shaped balls. Give an example of each ball meeting different needs by discussing the needs of an indoor ball, such as a Nerf ball. Tell the children that someone had to invent each of these types of balls. Explain that an inventor had to design the new ball, then find someone to make it and sell it to the neighborhood store.

Ask the children to be inventors of a new design/idea for a ball. Pass out special "Inventor's Idea paper" (11" x 14" paper folded in half with carbon paper between). Have the students draw their new ball design. Encourage any and all differences — size, shape or decoration. When design is complete, have each child dictate a description of his/her new ball. Print it on their paper. Send the copy home to involve parents in the project. Have the children color their designs and display the inventor's ideas on the "Inventionboard!" Encourage the children to draw pictures of other ideas they may have to add to the Inventionboard. Discuss them as they appear.

B. With the class, choose one (or a combination) of design(s) to make out of papier maché as a prototype. Gather the materials necessary, and explain the steps of production to the class. Remember to discuss the fact that this "ball" will not have the properties of a bouncing ball. Send your ball design to a ball manufacturer with a letter explaining your project. Manufacturers may be found by looking at brand names on balls in the stores and by using *Thomas Register*, *Standard and Poors* or *Standard Directory of Advertisers* (all library reference books) to obtain addresses. Explain to the children that this is one of the ways that inventors sell their ideas.

III. Services for Hire

listening & oral skills • creative thinking

Recall with your students the neighborhood walk and ask which businesses provided services. Use the chart from Activity I to help recall. Read *The Plant Sitter* by Gene Zion (1959 Harper Row), the story of a boy who earns money and solves the problem he faces while plant sitting for his neighbors; or read *Arthur's Funny Money* by Lillian Hoban (1981 Harper Row) about Arthur's experiences starting a bike washing service to earn money. Explain that these books illustrate ways that children earned money by providing services, and that many times people start a new business by offering a new service.

Discussion Questions:

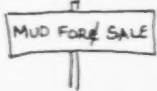
- What kinds of services do you provide in our classroom without pay? (daily jobs from the job chart)
- If you were going to start a business what kinds of services could you provide in our classroom? (sharpen pencils, hang up coats, put away toys, etc.)
- What kinds of services could you provide in your neighborhood? (feed a neighbor's pet, pick-up litter) Have you ever done any of these? (Some services require help from older siblings/friends.)

IV. Classroom Neighborhood

listening • discussing • creative dramatics

Prepare the students to create imaginary businesses by reading *Mud For Sale* by Brenda Nelson (1984 Houghton Mifflin) about a boy who joins neighborhood kids in starting a business of supplying mud for a price; or read *The Garage Sale* by Ann Rockwell (1984 Greenwillow Books) a story in which a child describes every step of his family's garage sale. Discuss the steps the children went through in each situation to start a business. Make a picture chart outline.

Starting a Business

1. idea 
2. gathering materials 
to create product or service
3. advertising and selling 

Have the children find a partner and create a business for the classroom neighborhood. Explain which materials in the room may be used (art supplies, tables, chairs, blocks, etc.) and where the businesses may be set up. Distribute game chips or play money to two/three students at a time. Help the businesspeople decide how much their service is worth. Give the play money some redeemable value (such as 5 chips earns the businessperson a small box of raisins). Give everyone a chance to be a customer. After the businesses have been put away, discuss the process.

Discussion Questions:

- Review the chart. Did every business go through the three steps?
- What were some of the good ideas people had?
- What made them special?
- Were there any advertisement signs you really liked?
- Would any of these businesses be good ones for our real neighborhood?

Enrichment: A follow-up to this activity would be creating a real business within the classroom or for the rest of the school. Ideas for products to be made and sold are: an art/craft project, a cookbook, or a baked item. See Activity III for possible school services students could offer. Your imagination is your only limitation!

Teaching Activities 1-2



Exploring New Ideas

by Peggy Reynolds

Peggy Reynolds has been teaching third graders for five years at Butler Elementary School in Ft. Lupton, Colorado. She aims to develop creative self-directed students by incorporating activities into the curriculum that promote positive and creative thinking, individuality and responsibility.

Entrepreneurship

Teaching the characteristics of entrepreneurship is a valuable goal in every classroom. Entrepreneurs are said to demonstrate characteristics of creative thinking, problem solving, and risk taking. Incorporating activities in which children practice these skills enhances learning and skill development to provide the optimal education. Individualized learning is possible when students feel free to take their own ideas and apply them to the curricular objectives on a daily basis. Children's ability to explore new ideas is affected by the fact that they commonly learn through concrete experiences and they already feel pressure from their peers to conform.

It is imperative that the classroom atmosphere and activities be structured in a way that students feel safe to explore and develop their own thoughts. Numerous opportunities must be provided to practice these "personal applications" and present them to their public — other students. Within this background, creative self-directed students emerge as a rule, instead of the exception.

Student Goals

1. Understand that an individual's insight can benefit many people.
2. Understand that products which are developed today are related to historical ideas.
3. Understand that even though the development of ideas is not simple, it is a worthwhile endeavor.
4. Develop the security necessary to build risk-taking skills.
5. Appreciate the positive, enriching nature of individual ideas and differences.

Teaching Activities

I. Bright Ideas

creative thinking • social studies • language

Throughout history, inventions and the marketing of new products began with ideas. Since the improvisation of the first tools eons ago, individuals have been motivated by the phrase, "There has to be a way." Today's children are surrounded by the results of the exploration of individuals' ideas. Examples of the successes of these ideas can be found in each commonplace item they use from buttons and pencils to televisions. These advances were made because someone

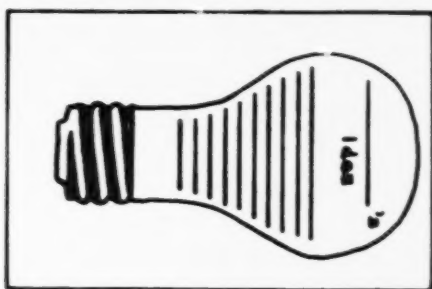
had an idea, followed through with their own thoughts (many times facing risk or ridicule), and developed a product which benefitted society. Entrepreneurs have these same experiences in developing ideas for new or different products. These activities center on those steps which lead to the development of "bright ideas."

A. Begin a discussion which centers on everyday items in a child's life — pencils, crayons, zippers, buttons. For example, ask: Look at your shirt/blouse; how does it stay closed? (buttons) What would we do without the button? How would we close our shirts? Where did the button come from? (Someone had to think of it.) Focus on the fact that these conveniences are the result of improving on individual ideas.

B. Lead into a discussion of the ideas of the Wright Brothers. For example, ask: Do any of you have bicycles? Do you think it looks the same as the very first bicycle? Someone had to have the idea for the first bicycle. It's now a common means of exercise and transportation. When the Wright Brothers came up with the idea that men could fly, do you think people accepted it right away? Stress the fact that many "inventors" faced ridicule and roadblocks while working; but they believed in their ideas, and worked to achieve their goals. We benefit from their positive attitudes.

C. To lead into a discussion of Edison and his contribution, turn off the lights and darken the room as much as possible. Ask: Is it easy to see and do things in the dark? How did people see in the darkness before we had electricity and the lightbulb? Discuss the impact lights and electricity have on our lives. (Phonograph, street lights, etc.) Turn the lights on and continue discussion. Ask: How are the two experiences, being in darkness and light, different? Did you know that Edison had learning disabilities; he had difficulty learning? People doubted his ideas, but he knew it was possible; he wasn't afraid; he took a risk and went after his goal. Return to the concept of the individual idea and how ideas are the initial step in our advances.

D. Elicit "pet peeves" and everyday frustrations we are faced with as people. (Crayons that don't stay sharpened, erasing and making holes in school papers, hanging up clothes.) Challenge students to decide on one area or item they would change or develop to make life easier for themselves. Give the example of tying shoes and velcro strips which eliminate that chore.



Pass out a light bulb ditto sheet similar to the one shown. Explain that a light bulb is often used as a symbol for a good idea. Students are to write their ideas for something that would make life easier on the light bulb. Help students develop and write their ideas in sentence form. (Not all students will have an idea. Explain that this activity can be something they can be thinking about as they go through their daily activities.) *Enrichment/Free Time.* Encourage students to take the next step and develop their idea through a drawing, diagram, or story, in order to more clearly describe their solution. Display these beside the light bulbs. (To minimize frustration, give students a few days.)

II. Picture Solutions to Problems

thinking skills • math concepts • drawing

Entrepreneurs often come up with new ideas for products or services by looking at those that exist in the marketplace in a fresh way. Creative thought depends on the ability to understand or approach concepts in different ways. However, many classroom skills are necessarily based on rote or single answers. In order to receive credit for spelling, basic facts in math, or sentence structure, students must be correct. When students begin to bog down with the weight of the precision necessary to achieve success, divergence becomes the key. "Something fun" at the end of a drill-type lesson will help carry students along while reinforcing the skill taught. The following activity gives students the opportunity to practice and apply their creativity to a rote lesson, and leads to a higher understanding of concepts.

A. At the blackboard with total class or small math group, review the basic concept of addition. Use examples such as, "If two children were playing ball, and four more children joined them, how many children would be playing?" Relate your examples to the students' recreation and classroom activities. Instead of writing only a problem on the board, draw pictures, then write the problem.

Elicit examples from the students, draw pictures on the board to demonstrate *their* examples, then the problem. Then, write problems on the board, and have *students* draw pictures to go along with each problem. (Students may use stick figures or objects as oranges, kites, etc.)

B. Pass out a basic facts addition sheet. Explain that the students must draw pictures that stand for the last

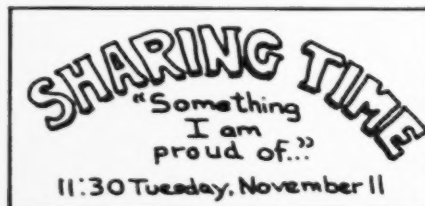
two problems on the sheet. They can use the back of the sheet or scratch paper.

NOTE: This idea can be applied to subtraction concepts, spelling words (for example, "draw" the word tall, hairy, see), and picture sentences. These experiences broaden children's creative thinking and help them see new possibilities in everyday activities.

III. Sharing Time — Risky Business

building self-confidence • oral language skills

Sharing Time is a common activity in many classrooms. Students have the opportunity to stand in front of the class and "Show and Tell." This time should not be taken lightly. The act of standing before a group and speaking (especially about ideas and feelings) is not easy for many children and adults. Students are taking a large risk by opening a channel of communication to the entire group. This time can be used to increase self-confidence and awareness by occasionally planning an individual activity instead of holding a general sharing time.



A. Make and display a poster similar to the one shown which announces "Sharing Time" and the theme (for example, "Something I'm Proud Of . . ." "I Can Do It," "I'm Responsible Because . . .") and the time and date. Give at least one day's notice. Explain the theme to the students immediately so that students understand what they will be talking about.

On the posted date announce "Sharing Time." Do not change anything else, such as classroom structure, at this time. The key is to create a "safe," relaxed atmosphere which will give students the opportunity to realize their positive attributes. Once again explain the theme, and you (the teacher) share the one thing you are proudest of being able to do. Explain why you are proud of your ability.

Ask for volunteers to share their thoughts. Do not require everyone to share. As students feel more secure, they will join in.

B. Wrap up Sharing Time with any comments the students may have concerning their remarks. Some leading questions: Was it easy or difficult for you to learn to do the things you are proudest of? Why do you feel good when you have learned something difficult? Are the same things easy or difficult for everyone? How do differences make life more interesting for all of us? Focus on individual talents, hard work, practice, and dedication as helpers in achieving our goals. These characteristics, plus the willingness to take risks, help entrepreneurs also achieve their goals.

Teaching Activities 3-4



Planning for Success

by Louise M. Frisard

Louise Frisard is currently teaching a Non-Oral Physically Impaired class at Walsingham Elementary in Largo, Florida. Her project, *Their Terrific Totes*, won first place in the Florida State Competition for Excellence in the Teaching of Economics for 1985.

Entrepreneurship

Creative thinking skills and management are both vital to the success of an entrepreneur. The entrepreneur begins with a creative idea and inspires others with it. He/she dares to go beyond the set boundaries of thinking, conceives of an idea and then implements it. In order for a business to be productive and to thrive, good management, planning and research are necessary. Good business leaders need to identify and know their consumers and realize their needs. Knowing what best serves the consumer decreases the amount of risk involved and improves the chances of success.

Students need the opportunity in a classroom situation to nurture and build upon their creative thinking skills. The classroom can become an environment in which children can learn to take reasonable risks and test their ideas, just as entrepreneurs do. Students may be aware of the importance of satisfying the consumer, but not aware of how directly it relates to the success of a new business. Through research and deductive reasoning, students decide *what* to produce and *for whom*. They then use their management skills to decide *how* to produce their product. The following activities teach students the importance of creative thinking, planning, setting goals, and taking responsibility for their own decisions and actions.

Student Goals

1. Realize the importance of creative thinking in reference to being an entrepreneur.
2. Develop a market survey which furnishes the producer with all the information necessary to produce a marketable product.
3. Experience how specialization in production increases a business' productivity, efficiency, and quality.
4. Learn the importance of each individual's contribution, and of teamwork in reaching a goal.

Teaching Activities

1. What Could It Be?

brainstorming • creative thinking • role play

Creativity is an important characteristic of an entrepreneur. This activity encourages students to break

away from set thinking patterns in reference to certain products and to expand those boundaries to encompass new ideas.

Set the scene by explaining to the class that they are all people from another planet who have come to visit earth. Earth seems very strange to them. They see many unfamiliar objects and do not know their functions or how they work. They are puzzled by the newness of these objects. There are no humans around to demonstrate how the objects are used on earth. They are curious to see how these items operate. They decide to explore. Have several everyday objects that the students can handle and manipulate in a big box (such as a saucepan, running shoe, egg beater, buttons, candlestick, sock, paper clips). The teacher chooses an item and describes its usage as a visitor from another planet might, when seeing it for the first time. For example, a shoe could be used as: a cup to drink from, a bug swatter, a hat, storage space for small articles, etc. Counsel the students to think of other functions and uses for this item, rather than the familiar ones.



Initially the students may feel inept or intimidated. It is important to reassure the students that no idea is too absurd. There are no right or wrong answers. Reinforce every idea. As students consider other items in the box, the teacher may have to give several examples ranging from sensible to seemingly bizarre to aid the students in gaining confidence in expressing their thoughts. Get the total class involved.

In conclusion, discuss with the class what took place during this activity. New ideas were created. Students broadened their range of possibilities. Introduce and define the word "entrepreneur" — one who conceives of an idea for a new product or service and implements that idea. Discuss and emphasize the point that one can be an entrepreneur in many different settings and situations (art, cooking, teaching, in class, at home, etc.) Give and ask for examples. Creative thinking skills are essential in daily living as well as in formulating an idea for business.

II. What Do Our Consumers Want?

choice & decision making • math • graphing

In this activity students realize that valuable information about consumer's wants may be acquired through a market survey.

A school economics fair prompted the need for our class to think of a product they could produce to sell. However, other incentives are as effective. The decision regarding *type of product* was made by the teacher based on these considerations: students' ability, practicality/expense, creativity/uniqueness. Since a large quantity of brown paper bags had been donated to the school, it was decided that some type of tote bag would be the product.

Explain to the class that once entrepreneurs have an idea for a new product or business, they often use a market survey to confirm their idea and to determine exactly what the consumer wants. Since the class now has a product in mind, *they* can use a market survey to determine specifically what *their* consumers (students, teachers) want. They want to answer the question: *What* exactly should we produce? To find out they must ask the consumer. The students must then determine *how* they can ask the consumer, *what* questions need to be asked, and *who* will be asked.

Prior to the survey, approval is requested from the administration to visit teachers and their classrooms, and cooperation is requested from the teachers participating.

Assist the class in creating a form that covers the information needed by asking the appropriate questions. Prepare samples of the product to be sold (in an assortment of sizes, designs, and colors, if necessary) to be displayed when conducting the survey.

Sample Survey Questions

1. Would you buy our product?
2. What size do you prefer?
3. What price would you pay?
4. What color, or design do you prefer?
5. How many would you buy?

Guide a discussion on the most efficient way to conduct the survey. Our class concluded that information could be collected most efficiently by forming several survey teams and assigning each team to specific teachers/classes at specific times.

After the market survey is conducted, record the data initially by using tally graphs. Compile tallies according to the reasons given for each survey question, such as size, design, and price. (A, B, & C in this case represent 3 different size tote bags.) The results can then be displayed in a bar graph. The tally and bar graphs give the class an explicit picture of what the consumer wants.

Given the information from the survey, have the students review and discuss the results. Based on the results, the class must decide which product (tote bag) to make. They may need to make choices, eliminate some possibilities, make needed changes, or change nothing. The data collected in the survey is used to

create the most saleable product. The students can now produce a product with the assurance that it will satisfy the demands and needs of the consumer.

SURVEY

A DETAILED INVESTIGATION OR
STUDY OF PERSONS OR THINGS.

~~~~~

A TALLY GRAPH OF CONSUMER  
CHOICE BETWEEN A, B, and C

| <u><b>A</b></u> <u><b>TEACHERS</b></u>                                                      | <u><b>STUDENTS</b></u>                                                                  |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| TTT   <br><span style="float: right;">(7)</span>                                            | TTT TTT III<br><span style="float: right;">(13)</span>                                  |
| <u><b>B</b></u><br>TTT TTT<br>TTT TTT   <br><span style="float: right;">(22)</span>         | TTT TTT IIII<br><span style="float: right;">(14)</span>                                 |
| <u><b>C</b></u><br>TTT TTT TTT<br>TTT TTT TTT   <br><span style="float: right;">(26)</span> | TTT TTT TTT TTT TTT TTT<br>TTT TTT TTT TTT I<br><span style="float: right;">(31)</span> |

### III. Managing Production

teamwork • organization • specialization

The following activity helps students identify and incorporate various aspects of production and management involved in running a business.

Once final decisions have been made on the type of product (tote bag) that will be produced for sale, the class must then determine *how* to produce the item. Involve the class in defining the tasks involved in production by examining the sample item selected for production. Take apart the product, step by step, noting each element. Ask the students to identify the materials needed to produce the product and the necessary tasks involved. (Our tote bags were made by cutting a strip off the top of a brown paper bag; folding the strip over to make handles, cutting the folded strip in half, and stapling each handle to the side of the bag; the top of the bag is folded over to give it strength; the bag is decorated using wood block designs.)

To figure production time, have the students measure and record the amount of time required for one individual to make one entire product. Ask the class if they can think of a more efficient production method. Brainstorming ideas will lead them to consider an assembly line method — giving employees a specific task in the production process (this is called specialization). This method helps produce more, high-quality items.

Assist the class in defining the specific jobs needed for production: for example, bag measurers, line drawers, bag cutters, handle makers, staplers, and quality controllers. Ask the class what talents/skills they think are needed in performing each task (accuracy, neatness, speed, creativity). Explain to the class that in order to produce the best quality products in the least time, they should try to match their individual skills with the identified task in production.

In creating an assembly line, the students learn to set production goals and develop plans to achieve them. They learn to be more efficient in time, quality, and quantity. They realize the importance of taking responsibility for one's actions, and gain a better understanding of teamwork and how it relates to reaching a goal.

# Teaching Activities 5-6



## Enterprising Eagles

by Florence A. Flanagan

Florence Flanagan has been a fourth grade teacher at the Marshall Hill School in West Milford, New Jersey for eight years. She has developed an economics education supplement to the social studies curriculum which provides students with firsthand experiences in producing, advertising and selling a product.

### Entrepreneurship

"A ship in a harbor is safe — but that's not what ships are for." Most 10-12 years olds love a challenge — it appeals to their sense of adventure. At this age, children are testing their abilities at playing the trumpet, joining a soccer team, or seeking employment in their neighborhood cutting lawns. They are experiencing the thrill of success as well as the agony of defeat. Since young people tend to internalize and magnify failure, they need special guidance to help them look positively at mistakes as a learning experience.

Becoming an involved, productive member of a group fulfills a basic need of a pre-teenager. The classroom is the ideal setting to provide the opportunity and guidance for young people to take reasonable risks, solve problems, and practice their decision-making powers. Such entrepreneurial skills will benefit youngsters in any area of endeavor.

### Student Goals

1. To recognize a need when it exists, accept the challenge, and act upon it.
2. To learn how to obtain capital to begin a business.
3. To learn the responsibility attached to borrowing money.
4. To gather information through research and surveys to improve chances of success.
5. To learn that communication and publicity are important to a successful business.

### Teaching Activities

#### I. What An Idea!

*brainstorming • creative thinking*

Set the scene for young entrepreneurs by holding a class meeting. Explain that as part of their social studies curriculum they have the opportunity to learn how people start a business, how businesses are run, and how businesses become successful. But, *they* are going to be the entrepreneurs — the people who come up with a new idea for a business, and then go ahead and make it work. Ask the class if they can think of any

product or service that their school (students, staff, parents) could use. Ask, "Is there a need for something new or different that they could provide?" Our class decided that there was a need for a place to purchase school supplies within the school itself; and there was nowhere in town where students could purchase items imprinted with *their* school name or symbol. (Many high schools and colleges sell such goods to promote school spirit.) Highlight the benefits of a school store as well as the tremendous, creative challenge it will provide for everyone. Ask for comments, questions, and suggestions. Accept ideas enthusiastically and positively.

#### II. What's The Next Step?

*organizational thinking • researching*

Ask the class "Now that you have your idea for a new business, how are you going to carry it out? What's the next step?" Let students brainstorm their ideas. They decide that they need permission from the principal to run a store in the school and some advice regarding the best location. Assign a student to arrange a meeting. Next, ask the students what exactly they would like to sell in the store. In order to generate ideas, assign some students to visit school/office supply departments in stores, others to bring office/school supply catalogues to school (involve other teachers and parents). Request suggestions/advice from parents regarding companies where items can be purchased/printed at wholesale prices. Explain to the class that this is often what entrepreneurs do when they are deciding what to sell — they do research. After the class research has been done, make a listing of the variety/types of items the class thinks students will want, including some novelty items: school folders and pencils (name/logo imprinted), erasers, pens, spiral notebooks, badges, stickers.

#### III. Seeking Help from Those Who Know

*problem solving • letter writing • mathematics*

Now that the class knows *what* they want to sell, ask them where they are going to get the money to buy these items. Ask, "Where do you think you might get help? Are there any business people in the community who might advise you?" Have the students plan and compose letters to local business people in the community asking for advice and financial assistance (include bankers, Rotary Club members, etc.)

Explain that when most people need money to start a business, they get a loan from a bank. Discuss the amount of money needed for the school store.

**PARENT CORNER:** When a child is treated as an important member of the family with a valued opinion, the child develops self-confidence, and, in turn, becomes a productive and valued member of the community.

Prearrange with school officials and bank personnel the exact amount of money to be borrowed. (School board members and bank officers allowed our class to borrow \$150 from an existing scholarship fund to be repaid in 90 days at 5½%.) Actively involve students in the transaction by having them co-sign the note. Have students prepared with questions regarding banking careers, operations of the bank, savings accounts, etc.

#### IV. Risky Business

*group discussion • building responsibility*

Prior to the actual visit to the bank (which was a significant, publicized community event), guide the students in a discussion of the responsibility involved in borrowing money from a bank. Bring students to realize that a loan is a contract in which the signer promises to repay. Emphasize that *they* must return the \$150 in 90 days or less. Ask the students how they will accomplish this. Guide students to the realization they must sell enough goods to pay for all the inventory in the store and have money left over to pay their loan. Explain that *all* business owners take this same risk. Ask, "Are they willing to work hard to reach their goal? Is this what *they* want to do?"

Ask the students, what other expenses (besides the inventory and the loan) must a real business person pay. (Wages/benefits, rent/mortgage, machinery/equipment, utilities, etc.)

#### V. Organizational Management

*group decision making • problem solving*

Ask the class how they can best organize and manage their school store. Advise students to list all the different types of work that must be done, and then consider how to organize it. The students decided to form committees of students to be responsible for inventory/ordering, bookkeeping, advertising, sales, store decorating, etc. Emphasize matching jobs with student's skills, and getting everyone involved. Cooperation means success!

#### VI. Market Survey of Student Preference

*research • conducting survey • math*

Once a listing is made of possible items to be sold, ask the students how much they plan to charge for each item. Suggest that the students research prices of items at local stores. When the data is in, students must decide on prices (keeping them slightly below current local prices, to attract students). To determine how many of each item to order, the class may decide to do a market survey. The survey will indicate which items the students prefer.

Aid students in preparing a survey sheet. Assign volunteers to specific classrooms throughout the school. Rehearse sales pitch and descriptions of products to be sold in the store. (Stress no sales tax!) Encourage purchase of items with school name/emblem, since the class will be investing money in the printing of these goods. Complete survey of products. Tally the results from all classes. Have the committee in charge of inventory, order the products accordingly. Chart the results. For a math assignment, students may make a bar graph to demonstrate the demand for each item.

| SURVEY SHEET   |               |        |
|----------------|---------------|--------|
| Grade _____    | Teacher _____ |        |
| PRODUCT        | COST          | BUYERS |
| School Folders | 85¢           |        |
| School Pencils | 15¢           |        |
| Eraser Tops    | 10¢           |        |
| Badges         | 50¢           |        |
| Stickers       | 10¢           |        |

#### VII. Promoting Products

*art • creativity • competition*

Assign volunteers to visit students in other grades to "launch" an art contest. Have them explain that a logo is required to be imprinted on the school folders to be sold at the store. Logo should depict school mascot or symbol (e.g., Marshall Hill Eagles — Eagle Mascot). Encourage originality and uniqueness. Recruit art teacher as judge of contest.

Involve as many students as possible in naming the school store (e.g., an appropriate name for the Marshall Hill Eagles store was the "The Eagle's Nest"). Encourage students to be daring and creative, and to be confident in their own ideas.

#### VIII. Opening Day!

*program planning • letter writing • selling*

Prepare for the ribbon-cutting ceremony and grand opening festivities of the school store. Have students write letters to invite administrators, members of the board of education, special donors, bank officials — all those who contributed to the success of the store — to the grand opening gala. Local newspaper/TV stations should be informed and invited to the big event. The students' hard work should not go unnoticed.

Send flyers to students' homes announcing store opening — include price list on all items. Invite the entire student body and staff to the opening day/assembly program. Classroom storeowners may dress up in special outfits/costumes as an attention-getting device. Have students prepare and sing commercials. Engage the school band to introduce and accompany the festivities.

Develop a plan to facilitate store operations. The store may be open one day a week or more. Teachers sign up for 15-minute intervals during which four students at a time visit to make purchases. Sales and stock people rotate work times so as to minimize their out-of-class time. Parent-volunteers enable teachers to remain in class.

#### IX. Young Entrepreneurs Learn

*creative thinking & writing • evaluating*

At the conclusion of the school store project, assign a creative writing project on a topic such as: (1) What I learned about beginning a business. (2) If I could start my own business, I would . . . (3) Running a business can be risky. (4) Managing a business is hard work.

(continued from page 3)

elementary teacher knows that many students fulfill this personality profile. Studies by Kourilsky and Campbell at UCLA (*The Influence of Instructional Innovation on Entrepreneurial Attitudes of Elementary School Children*, 1981) have shown that elementary school children are entrepreneurial, but during the late elementary or early secondary years, they lose their entrepreneurial inclinations. Given the benefits derived from having people behave in an entrepreneurial manner, action must be taken to maintain these early attributes.

#### STRATEGIES FOR ENTREPRENEURSHIP EDUCATION IN THE ELEMENTARY GRADES

If educators want to preserve the entrepreneurial characteristics of children (such as creativity, drive, self confidence, goal orientation, problem solving, initiative and personal responsibility) then it should be a "given" that the classroom atmosphere must foster the development of these traits in children.

1. An effective way to encourage children to be entrepreneurial is to give them opportunities to associate with those who have actually begun businesses. Students whose parents have started a business are more likely to become entrepreneurs. Children may gain exposure to entrepreneurs by field trips to small or expanding businesses and by classroom visits of businesspeople who enthusiastically describe their ideas and new products. These events may be followed by reports on new products and their producers. This

"elbow rubbing" is an effective strategy for creating an awareness of entrepreneurship as a career option.

2. Another effective method is to supplement social studies texts with stories of entrepreneurs. Many elementary texts give students the impression that progress is basically the result of generals and politicians. However, the contributions of entrepreneurs are often as significant and their stories every bit as fascinating. The elementary educator needs to be sure that their curriculum materials and books accurately portray the role of the entrepreneur.

3. Perhaps the most successful strategy for entrepreneurship education is to establish a marketplace in the elementary classroom. "Real world" experiences occur in the classroom when children create and name their own currency, establish banks and businesses, and produce products to sell. This approach allows students to be producers and managers, and to experience first hand the forces of supply and demand. The classroom marketplace exposes children to the realities of running a business and to the rewards of successful entrepreneuring. It also provides many new opportunities for the teacher to incorporate reading, writing, and math skills.

Finally, entrepreneurial education can help teachers realize that *they* can be entrepreneurs. They can find and fill the niche in *their* elementary classrooms by being innovative and developing their own "new products" or creative learning packages. Among those "new products" should be a stimulating approach to teaching children the values and processes of entrepreneurship.

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|------------------|----------------------|
| Editor           | Eleanor C. Sabini    |
| Designer         | Be Allen             |
| President        | Michael A. MacDowell |
| Project Director | Robert W. Reinke     |



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